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WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

General Purpose Financial Statements
and Independent Auditor's Reports
As of June 30, 2003 and for the Year
Ended June 30, 2003
With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11.12.03

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

**General Purpose Financial Statements
and Independent Auditor's Reports
As of June 30, 2003, and for the Year
Ended June 30, 2003
With Supplemental Information Schedules**

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WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Contents, June 30, 2003

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RICHARD B. GARRETT
Certified Public Accountant
1537 Frenchman's Bend Road
Monroe, Louisiana 71203

**Independent Auditor's Report on the
General Purpose Financial Statements**

HONORABLE GARY K. BENNETT
WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

I have audited the accompanying general purpose financial statements of the West Carroll Parish Sheriff, as of and for the year ended June 30, 2003, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of the West Carroll Parish Sheriff. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the West Carroll Parish Sheriff, as of June 30, 2003, and the results of operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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HONORABLE GARY K. BENNETT
WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Audit Report, June 30, 2003

In accordance with *Government Auditing Standards*, I have also issued my report dated October 28, 2003, on my consideration of the West Carroll Parish Sheriff's internal control over financial reporting and my tests of his compliance with certain provisions of laws and regulations. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the West Carroll Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.



RICHARD B. GARRETT

Monroe, Louisiana
October 28, 2003

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 2003

	GOVERNMENTAL FUND - GENERAL FUND	FIDUCIARY FUNDS - AGENCY FUNDS
	<u> </u>	<u> </u>
ASSETS AND OTHER DEBITS		
Assets:		
Cash and cash equivalents (note 3)	\$22,690	\$290,128
Receivables (note 4)	37,161	-
Building and equipment (note 5)	-	-
Other Debits:		
Amount to be provided for:		
Capital lease payments (notes 10 and 11)	-	-
Compensated absences (notes 9 and 11)	-	-
	<u> </u>	<u> </u>
TOTAL ASSETS AND OTHER DEBITS	\$59,851	\$290,128
	<u> </u>	<u> </u>
LIABILITIES, EQUITY, AND OTHER CREDITS		
Liabilities:		
Accounts payable	\$8,933	\$ -
Due to taxing bodies and others (note 12)	-	290,128
Capital lease payable (notes 10 and 11)	-	-
Compensated absences (notes 9 and 11)	-	-
Total liabilities	<u>8,933</u>	<u>290,128</u>
Equity and Other Credits:		
Investment in general fixed assets	-	-
Fund balances - unreserved - undesignated	50,918	-
Total equity and other credits	<u>50,918</u>	<u> </u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$59,851	\$290,128
	<u> </u>	<u> </u>

The accompanying notes are an integral part of this statement.

Statement A

ACCOUNT GROUPS		
GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	TOTAL (MEMORANDUM ONLY)
\$ -	\$ -	\$312,818
-	-	37,161
371,812	-	371,812
-	2,070	2,070
-	10,526	10,526
<u>\$371,812</u>	<u>\$12,596</u>	<u>\$734,387</u>
\$ -	\$ -	\$8,933
-	-	290,128
-	2,070	2,070
-	10,526	10,526
-	12,596	311,657
371,812	-	371,812
-	-	50,918
<u>371,812</u>	<u>-</u>	<u>422,730</u>
<u>\$371,812</u>	<u>\$12,596</u>	<u>\$734,387</u>

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
GOVERNMENTAL FUND - GENERAL FUND**

**Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended June 30, 2003**

REVENUES

Ad valorem taxes	\$458,737
Intergovernmental revenues:	
State grants:	
Commission of state revenue sharing	44,164
State supplemental pay	39,600
North Delta Training Grant	1,027
Federal grants (Note 16):	
Louisiana Commission on Law Enforcement - Task Force Grant	17,864
U.S. Department of Justice:	
COPS Fast Grant	981
Local Law Enforcement Block Grant	12,574
U.S. Department of Agriculture:	
Rural Development Grant	15,000
Fees, charges, and commissions for services:	
Commissions on licenses, etc.	18,914
Civil and criminal fees	64,489
Court attendance	3,808
Transporting prisoners	6,319
Feeding and keeping prisoners	144,554
Tax notices, etc.	4,388
Use of money and property - interest earnings	1,175
Miscellaneous	25,006
Total revenues	<u>858,600</u>

The accompanying notes are an integral part of this statement.

Statement B

EXPENDITURES

Current:

Public safety:

Personal services and related benefits

\$592,029

Operating services

67,847

Statutory charges

51,878

Materials and supplies

60,842

Travel and other charges

2,350

Capital outlay

11,608

Debt service:

Principal

3,339

Interest

299

Total expenditures

790,192

**EXCESS OF REVENUES
OVER EXPENDITURES**

68,408

FUND BALANCE (Deficit) AT BEGINNING OF YEAR

(17,490)

FUND BALANCE AT END OF YEAR

\$50,918

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Statement C

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
GOVERNMENTAL FUND - GENERAL FUND

Statement of Revenues, Expenditures, and
and Changes in Fund Balance - Budget
(Cash Basis) and Actual
For the Year Ended June 30, 2003

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Ad valorem taxes	\$455,000	\$459,442	\$4,442
Intergovernmental revenues:			
Grants-Federal and State	40,000	36,504	(3,496)
State grants:			
Commission on state revenue sharing	45,000	44,164	(836)
State supplemental pay	40,000	42,900	2,900
Fees, charges, and commissions for services:			
Commissions on licenses, etc.	25,000	18,839	(6,161)
Civil and criminal fees	63,700	64,092	392
Court attendance	4,000	3,876	(124)
Transporting prisoners	4,000	6,467	2,467
Feeding and keeping prisoners	155,100	145,440	(9,660)
Tax notices, etc.	3,500	4,104	604
Use of money and property - interest earnings	2,200	1,175	(1,025)
Miscellaneous	25,000	25,006	6
Total revenues	<u>862,500</u>	<u>852,009</u>	<u>(10,491)</u>
EXPENDITURES			
Current:			
Public safety:			
Personal services and related benefits	603,300	626,422	(23,122)
Operating services	82,892	71,376	11,316
Materials and supplies	56,500	63,179	(6,679)
Statutory charges	58,000	55,739	2,261
Travel and other charges	5,000	2,998	2,002
Capital outlay	24,500	11,609	12,891
Debt retirement	3,900	4,245	(345)
Total expenditures	<u>833,892</u>	<u>835,568</u>	<u>(1,676)</u>
EXCESS OF REVENUES OVER EXPENDITURES	28,608	16,441	(12,167)
OTHER FINANCING SOURCES			
Sale of assets	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	29,608	16,441	(13,167)
FUND BALANCE AT BEGINNING OF YEAR	<u>1,136</u>	<u>6,249</u>	<u>5,113</u>
FUND BALANCE AT END OF YEAR	<u>\$30,744</u>	<u>\$22,690</u>	<u>(\$8,054)</u>

The accompanying notes are an integral part of this statement.

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WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Financial Statements
As of June 30, 2003 and for the Year
Ended June 30, 2003

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the West Carroll Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

B. REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and the component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the sheriff includes all funds, account groups, activities, et cetera, that are controlled by the sheriff as an independently elected parish official. As an independently elected parish official, the sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the sheriff's office that are paid by the parish police jury as required by Louisiana law, the sheriff is financially independent. Accordingly, the sheriff is a separate governmental reporting entity. Certain units of local government over which the sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish sheriff.

C. FUND ACCOUNTING

The sheriff uses funds and account groups to report on his financial position and the results of his operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the sheriff are classified into two categories: governmental (General Fund) and fiduciary (agency funds). These funds are described as follows:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the sheriff's office and accounts for the operations of the sheriff's office. The sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The General Fund is accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting, except for the Tax Collector Agency Fund, which is prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is entitled to the funds.

Interest income on interest-bearing demand deposits and time deposits are recorded at the end of each month when credited by the bank.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

Expenditures

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received. Fixed assets acquired through capital lease are recorded as expenditures and other financing sources at the time of acquisition.

E. BUDGET PRACTICES

The proposed budget for the fiscal year ended June 30, 2003, was made available for public inspection on May 1, 2002. The proposed 2002-03 budget, prepared on the cash basis of accounting, was published in the official journal 5 days prior to the public hearing for comments from taxpayers, which was held at the West Carroll Parish Sheriff's office on May 6, 2002. The budget was legally adopted and amended, as necessary, by the sheriff.

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

A system of encumbrance accounting is not used. However, formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying general purpose financial statements include the original adopted budget and all subsequent amendments. The revenues and expenditures shown on Statement C are reconciled with the amounts reflected on Statement B as follows:

Excess of revenues over expenditures (budget basis) - Statement B	\$68,408
Adjustment for:	
Receivables - net	(6,678)
Payables - net	<u>(45,289)</u>
Excess of revenues and other sources over expenditures (GAAP basis) - Statement C	<u>\$16,441</u>

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not used by the sheriff in his accounting practices.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in petty cash, interest bearing demand deposits, and time deposits. Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. General fixed assets provided by another parish sheriff through a grant and general fixed assets turned over to the sheriff by the courts as a result of drug seizures are recorded within the general fixed assets account group. General fixed assets provided by the parish police jury are not recorded within the general fixed assets account group. No depreciation has been provided on general fixed assets. Of the \$371,812 of general fixed assets reported on the balance sheet, approximately 96.2 per cent, or \$357,736, are valued at historical cost, 3.5 per cent, or \$12,827, are valued at estimated historical cost based on the cost of like items, and .3 per cent, or \$1,249, are valued at their estimated fair market value on the date the asset is turned over to the sheriff by the courts.

I. COMPENSATED ABSENCES

Full-time deputies of the sheriff's office earn from 40 to 104 hours of annual leave each year depending on length of service with the Sheriff's office. Annual leave is earned each month. A maximum of 24 hours can be accumulated and carried forward into a new calendar year. Upon termination of employment, unused annual leave is paid to deputies at the deputies' current rates of pay.

Annual leave that has been claimed by deputies as of the end of the fiscal year is recorded as an expenditure in the year claimed. Annual leave accrued as of the end of the fiscal year is valued using deputies' current rates of pay and the total is included in the General Long-Term Obligations Account Group. The Sheriff nor the deputies are required to

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

contribute to the retirement system for annual leave payments. Accrued annual leave will be paid from future years' resources.

Full-time deputies earn 80 hours of sick leave each year. Sick leave may not be accumulated and carried forward to a new calendar year. Upon termination of employment, unused sick leave is not paid to employees. At June 30, 2003, there are no accumulated and vested benefits relating to sick leave that require accrual or disclosure to conform with GASB Codification Section C60.

J. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

K. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the two year ended:

Authorized Millage	10.18
Levied Millage	10.18

3. CASH AND CASH EQUIVALENTS

At June 30, 2003, the sheriff has cash and cash equivalents (book balances) totaling \$312,819, as follows:

Interest bearing demand deposits	\$25,227
Time deposits	287,092
Petty cash	<u>500</u>
Total	<u>\$312,819</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2003, the sheriff has \$345,947 in deposits (collected bank balances). These deposits are secured from risk by \$113,611 of federal deposit insurance and \$232,336 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent has failed to pay deposited funds upon demand.

4. RECEIVABLES

The General Fund receivables of \$37,161 at June 30, 2003, are as follows:

<u>Class of Receivable</u>	<u>Amount</u>
State grants	\$1,027
Federal grants	17,864
Commissions on licenses, etc.	1,086
Civil and criminal fees	4,620
Court attendance	306
Transporting prisoners	135
Feeding and keeping prisoners	11,347
Refunds	776
Total	<u>\$37,161</u>

5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (building and equipment) follows:

	<u>Building</u>	<u>Equipment</u>	<u>Total</u>
Balance June 30, 2002	\$1,336	\$367,849	\$369,185
Additions	-	9,841	9,841
Deductions	-	(7,214)	(7,214)
Balance June 30, 2003	<u>\$1,336</u>	<u>\$370,476</u>	<u>\$371,812</u>

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

6. PENSION PLAN

Plan Description: Substantially all employees of the West Carroll Parish Sheriff's office are members of the Louisiana Sheriffs' Pension and Relief Fund (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 3.33 percent. The retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 6554 Florida Boulevard, Suite 215, Baton Rouge, Louisiana 70806, or by calling (800) 586-9049.

Funding Policy: Plan members were required by state statute to contribute 9.8 percent of their annual covered salary during the 2002-03 fiscal year. The West Carroll Parish Sheriff was required to contribute at an actuarially determined rate. The rate for the 2002-03 fiscal year was 7.75 percent of the covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the West Carroll Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The West Carroll Parish Sheriff's contributions to the System for the years ending June 30, 2003, 2002, and 2001, were \$36,783, \$30,203, and \$21,871, respectively, equal to the required contributions for each year.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

7. POSTEMPLOYMENT BENEFITS

As required by Louisiana Revised Statutes, the Sheriff provides certain continuing health care and life insurance benefits for certain retired employees through the Sheriff's group insurance plan. Retired employees are eligible for these benefits if they reached normal retirement age, as defined by the retirement system (see Note 6), while working for the Sheriff. The Sheriff recognizes the cost of providing these benefits (the Sheriff's portion of premiums) as expenditures when the monthly premiums are due. The cost of retiree benefits totaled \$5,148 during the 2002-03 fiscal year. Two employees received benefits under this plan.

8. DEFERRED COMPENSATION PLAN

The Sheriff offers a deferred compensation plan to employees of his office under the provisions of Internal Revenue Service Code 457 (Deferred Compensation Plan). The deferred compensation plan is strictly on a voluntary basis with only employee contributions being made to the Plan. At June 30, 2003, the Plan had assets with an approximate market value of \$68,124. The assets in the Plan are held in trust solely for the benefit of participants and their beneficiaries. Therefore, in accordance with GASB Statement No. 31, they are not reported in the Sheriff's financial statements.

9. COMPENSATED ABSENCES

At June 30, 2003, employees of the sheriff have accumulated and vested \$10,526 of employee leave benefits, which were computed in accordance with GASB Codification Section C60. The leave benefits have been recorded within the general long-term obligations account group.

10. LEASES

The Sheriff records assets acquired by capital lease as an asset and an obligation in the accompanying general purpose financial statements. The Sheriff entered into a capital lease to purchase a computer and the related software on March 24, 1999. The lease calls for 60 monthly payments of \$303 at an interest rate of 7.7 percent. The recorded amount of the computer and the related software is \$22,139.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

The following is a schedule of future minimum lease payments under capital lease, together with the present value of the minimum lease payments, as of June 30, 2003:

<u>Year Ended</u> <u>June 30,</u>	<u>Amount</u>
2004	<u>2,122</u>
Total minimum lease payments	2,122
Less – amounts representing interest	<u>(52)</u>
Present value of minimum lease payments	<u>\$2,070</u>

11. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2003:

	<u>Capital</u> <u>Lease</u>	<u>Compensated</u> <u>Absences</u>	<u>Total</u>
Long-term obligations at July 1, 2002	\$5,409	\$13,497	\$18,906
Additions	-	1,691	1,691
Deductions	<u>(3,339)</u>	<u>(4,662)</u>	<u>(8,001)</u>
Long-term obligations at June 30, 2003	<u>\$2,070</u>	<u>\$10,526</u>	<u>\$12,596</u>

12. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others for the year ended June 30, 2003, follows:

	<u>Sheriff's</u>	<u>Tax Collector</u>	<u>Total</u>
Balance June 30, 2002	\$1,103	\$637,843	\$638,946
Additions	70,596	3,140,469	3,211,065
Deductions	<u>(71,691)</u>	<u>(3,488,192)</u>	<u>(3,559,883)</u>
Balance June 30, 2003	<u>\$8</u>	<u>\$290,120</u>	<u>\$290,128</u>

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
Notes to the Financial Statements (Continued)

13. TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2003, as reflected on Statement A, include \$235,044 of taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$52,048. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

14. LITIGATION AND CLAIMS

At June 30, 2003, the sheriff was involved in two lawsuits. In the opinion of the Sheriff's legal counsel, the suits will not result in a loss to the Sheriff in excess of his insurance coverage. The Sheriff's legal counsel was not aware of any unasserted claims or assessments.

**15. EXPENDITURES OF THE SHERIFF'S OFFICE
PAID BY THE PARISH POLICE JURY**

The sheriff's office is located in the parish courthouse. Expenditures for operation and maintenance of the parish courthouse, as required by statute, are paid by the West Carroll Parish Police Jury. These expenditures are not included in the accompanying general purpose financial statements.

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WEST CARROLL PARISH SHERIFF
 Oak Grove, Louisiana
 Notes to the Financial Statements (Concluded)

16. FEDERAL FINANCIAL ASSISTANCE

The sheriff participated in the following Federal financial assistance programs during the year ended June 30, 2003:

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>CFDA Number</u>	<u>Expenditures</u>
Bureau of Justice Assistance, Department of Justice Direct Programs:		
Community Oriented Policing Services Grants:		
Fast Grant	16.710	\$981
Local Law Enforcement Block Grant	16.592	12,574
 United States Department of Agriculture Rural Development Direct Program:		
Rural Development Grant	10.766	15,000
 Passed through Louisiana Commission on Law Enforcement – through Franklin Parish Sheriff - Drug Control and System Improvement – Formula Grant Fund - Task Force Grant		
	16.579	<u>17,864</u>
Total		<u>\$46,419</u>

17. SUBSEQUENT EVENTS

The Sheriff made three bank loans from July 2003 to September 2003 totaling \$125,000 from a local bank to help his cash flow until his ad valorem taxes are collected. The Sheriff was authorized by the Louisiana State Bond Commission to borrow up to \$250,000. The loans are to be repaid by June 30, 2004, at an interest rate of 4.25 per cent. The Sheriff does not anticipate borrowing any additional funds this year.

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WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of June 30, 2003, and for the Year
Ended June 30, 2003

FIDUCIARY FUNDS - AGENCY FUNDS

SHERIFF'S FUND

The Sheriff's Fund accounts for funds held in civil suits, sheriff's sales, and garnishments.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies. It also accounts for collections of bonds, fines, and costs and payments of these collections to the recipients in accordance with applicable laws.

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
FIDUCIARY FUNDS - AGENCY FUNDS**

Combining Balance Sheet, June 30, 2003

	<u>SHERIFF'S FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	<u>\$8</u>	<u>\$290,120</u>	<u>\$290,128</u>
LIABILITIES			
Due to taxing bodies and others	<u>\$8</u>	<u>\$290,120</u>	<u>\$290,128</u>

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana
FIDUCIARY FUNDS - AGENCY FUNDS

**Schedule of Changes in Balances Due
to Taxing Bodies and Others
For the Year Ended June 30, 2003**

	SHERIFF'S FUND	TAX COLLECTOR FUND	TOTAL
BALANCES AT BEGINNING OF YEAR	<u>\$1,103</u>	<u>\$637,843</u>	<u>\$638,946</u>
ADDITIONS			
Deposits:			
Suits, seizures, and sales	70,553	-	70,553
Interest earnings	43	-	43
Taxes, fees, etc., paid to tax collector	-	3,140,469	3,140,469
Total additions	<u>70,596</u>	<u>3,140,469</u>	<u>3,211,065</u>
Total	<u>71,699</u>	<u>3,778,312</u>	<u>3,850,011</u>
REDUCTIONS			
Taxes, fees, etc., distributed to taxing bodies and others	-	3,488,192	3,488,192
Deposits settled to:			
Sheriff's General Fund	22,309	-	22,309
Clerk of Court	8,265	-	8,265
Litigants	30,219	-	30,219
Attorneys, appraisers, etc.	1,875	-	1,875
Other settlements	9,023	-	9,023
Total reductions	<u>71,691</u>	<u>3,488,192</u>	<u>3,559,883</u>
BALANCES AT END OF YEAR	<u>\$8</u>	<u>\$290,120</u>	<u>\$290,128</u>

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**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Supplemental Information Schedule
For the Year Ended June 30, 2003**

In accordance with the requirements of the *Louisiana Governmental Audit Guide*, a schedule of corrective action taken on prior audit findings and recommendations has been included.

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**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Supplemental Information Schedule
Corrective Action Taken on Prior Audit
Findings and Recommendations
For the Year Ended June 30, 2003**

In the prior audit report for the year ended June 30, 2002, there were no instances of noncompliance that were required to be reported under *Government Auditing Standards* nor were there any matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses.

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**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on compliance with laws and regulations and on internal control required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The report on compliance and internal control is based solely on the audit of the financial statements and includes, where applicable, any compliance matters that would be material to the presented financial statements and where appropriate, any reportable internal control conditions and/or material weaknesses.

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RICHARD B. GARRETT
Certified Public Accountant
1537 Frenchman's Bend Road
Monroe, Louisiana 71203

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDIT STANDARDS**

HONORABLE GARY K. BENNETT
WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

I have audited the general purpose financial statements of the West Carroll Parish Sheriff, as of and for the year ended June 30, 2003, and have issued my report thereon dated October 28, 2003. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the West Carroll Parish Sheriff's general purpose financial statements are free of material misstatement, I performed tests of his compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, I noted a certain immaterial instances of noncompliance related to the Budget Act that I have reported to the Sheriff of West Carroll Parish in a separate letter dated October 28, 2003.

EXHIBIT A

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HONORABLE GARY K. BENNETT
WEST CARROLL PARISH SHERIFF
Compliance and Internal Control Report
October 28, 2003
Page 2

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the West Carroll Parish Sheriff's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the sheriff and management of his office and is not intended to be and should not be used by anyone other than these specified parties. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.



RICHARD B. GARRETT

Monroe, La.
October 28, 2003

EXHIBIT A

RECEIVED
LEGISLATIVE AUDITOR
03 NOV -6 AM 10:33

RICHARD B. GARRETT
Certified Public Accountant
1537 Frenchman's Bend Road
Monroe, LA 71203

MANAGEMENT LETTER

HONORABLE GARY K. BENNETT
WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

The operations of the Sheriff's office are governed by the Louisiana Revised Statutes. The Statutes provide guidance for the operation of all areas of the Sheriff's office. The Statutes provide specific guidance for preparing and adopting the Sheriff's annual financial budget; for making purchases; for record keeping requirements of his financial records; and for record keeping requirements for property owned by the Sheriff. The Statutes also provide guidance for monitoring expenditures and securing bank deposits against loss. Compliance with the Louisiana Revised Statutes is mandatory for the Sheriff. In my audit tests I reviewed the Statutes applicable to the Sheriff's operations to determine his compliance with the Statutes.

During my audit, I noted the following Louisiana Revised Statute that the Sheriff did not fully comply with:

Compliance with Budget Act

Louisiana Revised Statutes 39:1302-1314 require that the Sheriff prepare a comprehensive budget presenting a complete financial plan for the General Fund. The statutes require that the Sheriff's proposed budget be made available for public inspection no later than 15 days prior to the beginning of the fiscal year. Louisiana Revised Statute 39:1308 requires the Sheriff to publish a notice stating that the proposed budget is available for public inspection and that a public hearing on the proposed budget shall be held with the date, time, and place of the hearing specified in the notice. The notice shall be published at least 10 days prior the date of the first public hearing. The Statutes further require the Sheriff to certify completion of the budget process by publishing a notice so stating. The Sheriff is required by the Statutes to monitor and amend his budget during the year when total revenues and other sources plus projected revenues and other sources for the remainder of the year are failing to meet total budgeted revenues and other sources by 5 per cent or more.

The Sheriff did not comply with the Budget Act requirement of publishing the notice of availability of the budget and of publishing the date of the public hearing on the budget at least 10 days prior to the public hearing. The Sheriff published the notice of availability and the date of the public hearing 5 days prior to the public hearing instead of the required 10 days. In the prior audit for the year ended June 30, 2002, it was reported to the Sheriff that he should publish the notice of availability and the date of the public hearing on the budget at least 10 days prior to the public hearing. In the previous audit, the notice was published 8 days prior to the public hearing.

By not publishing the budget for the full 10 days prior to the public hearing, the public may not have adequate advance notice to participate in the public hearing. The Sheriff should become familiar with the requirements of the Budget Act and publish the required notices within the time period mandated by the Statutes.

Management's Corrective Action Plan

The Sheriff is now familiar with the requirements of the Budget Act and plans to comply with all requirements of the act.



RICHARD B. GARRETT

Monroe, LA
October 28, 2003